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AGRICULTURE & FARMERS' EMPOWERMENT DEPARTMENT

NOTIFICATION

The 29th January, 2024

No.1821—DSCWD-SCHI-MISC-0004/2023/A&FE.— Coffee has emerged as one of the most profitable commercial crops among the farmers of the State due to its encouraging prospects on financial benefits and rebuilding of ecosystem mainly aimed at deriving benefits by improvement of environment.

The Government of Odisha will implement a new State Sector Scheme "Coffee Plantation for Sustainable Livelihoods" for the period 2022-23 to 2026-27. The hilly tracts of Koraput, Rayagada, Kalahandi, Kandhamal, Keonjhar and Gajapati Districts with an altitude of 600 to 1000 meters above MSL are ideal for taking up coffee cultivation. The scheme envisages on expanding the State Coffee acreage from 10,000 acres at present to 1,00,000 acres by 2032, with 20,800 MT total production from the existing 540 MT in 10 years (2022-23 to 2031-2032) spreading across 6 tribal Districts of Odisha. Over the period the value of production will increase from Rs. 21.76 crores to Rs. 832.00 crores wherein around 50,000 farm families are to be benefited.

It has been planned to increase the area under coffee cultivation in the State to 1,00,000 acres by 2032 wherein Rs. 1144.00 crores for five years (2022-23 to 2026-27) will be spent as approved by the Expenditure Finance Committee on dated 28th February, 2023.

Objectives:

- i. To consolidate / rejuvenate the existing Coffee plantations.
- ii. Encourage and facilitate increased investments in area expansion, production and productivity of coffee.

- iii. Find creative ideas and methods for rekindling interest in coffee production in the State of Odisha.
- iv. Support Odisha's farmers to profitably own their coffee along with the coffee value chain for sustainable livelihoods, consumer satisfaction and transformation.
- v. Establish a market driven system of coffee farmer enterprises and organisations to increase their household incomes through enhanced entrepreneurship and innovation.
- vi. To enhance the quality of coffee through technology, training and quality control supports.
- vii. To collaborate with high quality resource organisations including Coffee Board for infrastructure and brand development along with market linkage.
- viii. To establish an integrated coffee specific extension service on a sustainable basis.

2. Justification:

As Odisha has a high potential for commercial coffee cultivation and coffee plantations have high benefit to cost ratio of more than 1:1 with high returns per rupee invested, hence it can sustain livelihoods of people. So, as to provide a framework that enhances policy and practice to make coffee sector more **inclusive, productive and remunerative** for all of those in the value chain, especially the farming community of Odisha in the long run, the Expenditure Finance Committee (EFC) has approved a five-year financial allocation amounting to Rs. 1144.00 crore of which Rs. **567.00** crore will be met from State Plan and Rs. **577.00** crore will be met through convergence with other schemes of State and Centre.

As per new EFC Guideline issued vide Finance Dept. OM No.9523, dated the 22nd March, 2021, the appraised scheme needs to be approved by State Cabinet when the financial limit is more than Rs. 250.00 Cr.

The State Cabinet in their 70th meeting on dated 22nd January, 2024 have approved the Provision of funds for State Sector Scheme "Coffee Plantation for Sustainable Livelihoods"

3. Financial Implications:

The EFC meeting was held on dated the 28th February, 2023 under the Chairmanship of the Principal Secretary. The committee approved that the scheme is beneficial to increase more land area under coffee plantations in the State and appraised for 5 years from 2022-23 to 2026-27.

The fund requirement will be Rs. **567.00** crore from State Plan and Rs. **577.00** crore through convergence with other schemes of State and Centre. In case of unavailability of funds out of convergence, it will be met from the State Plan. The scheme will be implemented in 5 years (2022-23 to 2026-27) through Directorate of Soil Conservation & Watershed Development under Department of Agriculture & Farmers' Empowerment, Odisha.

ORDER – Ordered that the notification be published in the Extraordinary issue of *Odisha Gazette*.

By Order of the Governor
ARABINDA KUMAR PADHEE
Principal Secretary to Government